



GAIL FARBER, Director

**COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC WORKS**

*"To Enrich Lives Through Effective and Caring Service"*

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ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

March 29, 2016

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**AWARD OF A CONSTRUCTION CONTRACT  
WEST COAST BASIN BARRIER PROJECT, UNIT 12  
INJECTION AND OBSERVATION WELLS  
IN THE CITY OF REDONDO BEACH  
(SUPERVISORIAL DISTRICT 4)  
(3 VOTES)**

**SUBJECT**

This action is to award a construction contract to Environmental Construction, Inc., for West Coast Basin Barrier Project, Unit 12, and authorize the Chief Engineer of the Los Angeles County Flood Control District or her designee to execute a construction contract for work in the City of Redondo Beach.

**IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT:**

1. Award and authorize the Chief Engineer of the Los Angeles County Flood Control District or her designee to execute a construction contract and establish the effective dates following receipt of approved Faithful Performance and Labor and Material Bonds and insurance certificates filed by the contractor for Project ID No. FCC0001199 – West Coast Basin Barrier Project, Unit 12 Injection and Observation Wells, for construction of injection and observation wells, in the City of Redondo Beach, to Environmental Construction, Inc., in the amount of \$5,971,303.
2. Delegate to the Chief Engineer of the Los Angeles County Flood Control District or her designee the following authority in connection with the contract: (1) approve and execute change orders within the same monetary limits delegated to the Director of Public Works under Section 2.18.050 of the Los Angeles County Code relative to the construction of County buildings, (2) accept the project

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

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LORI GLASGOW  
EXECUTIVE OFFICER

upon its final completion, and (3) release retention money withheld consistent with the requirements of State Public Contract Code Sections 7107 and 9203.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended actions is to obtain approval of the project from the Board, acting as the governing body of the Los Angeles County Flood Control District, to award this construction contract, authorize the Chief Engineer of the Los Angeles County Flood Control District or her designee to execute the construction contract, and establish the effective contract date following receipt of approved Faithful Performance and Labor and Material Bonds and insurance certificate filed by the contractor for this project.

On December 1, 2015, Agenda Item 41, the Board approved the project; adopted the plans and specifications; called for bids to be received on January 5, 2016; and instructed the Acting Executive Officer of the Board of Supervisors to advertise the project.

The enclosure includes the project description, the call for bids and bid opening date, a tabulation of bids, and financial information. The certified record of receipt of bids and the original bid proposal are also enclosed for this project.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provisions of Operational Effectiveness/Fiscal Sustainability (Goal 1) and Integrated Services Delivery (Goal 3). Awarding this construction contract will provide improved infrastructure to better serve the public and enhance the quality of life in the affected City.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund.

The construction contract cost of \$5,971,303 is included in the Flood Control District Fund Fiscal Year 2015-16 Budget.

The enclosure includes the amount of the recommended contract as compared with the engineer's estimate, the other bids received, and more detailed fiscal and financial information.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The contract agreement will be in the form previously reviewed and approved as to form by County Counsel. The recommended contract was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the Chief Executive Officer's and the Board's requirements.

The contract specifications require the work to be completed in 180 working days. It is anticipated the work will start in April 2016 and be completed in December 2016.

The award of this contract will be in full compliance with Federal, State, and County regulations. This contract contain terms and conditions supporting the Board's ordinances, policies, and programs including, but not limited to: the County's Greater Avenues for Independence and General

Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; the County's Defaulted Property Tax Reduction Program, Los Angeles County Code, Chapter 2.206; Local Business Enterprise Preference Program, Los Angeles County Code, Chapter 2.204; and the standard Board directed clauses that provide for contract termination or renegotiation.

The State Public Contract Code requires the District to award construction contracts to a responsible contractor with the lowest responsive bid, which is defined as the firm that: (1) submits the bid with the lowest cost; (2) is deemed by the District to be responsive to specific criteria under the solicitation including, but not limited to, licensure, bonding, and insurance requirements; and (3) is determined by the District to be a responsible bidder by exhibiting the capability, capacity, experience, trustworthiness, and financial wherewithal to perform the work required under the bid solicitation.

To ensure the contract is awarded to a responsible contractor with a satisfactory history of performance, bidders are required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with the County, complaints filed with the Contractor's State License Board, labor law/payroll violations, and debarment actions. As provided for in Board Policy No. 5.140, the information reported by each respective contractor was considered before making this recommendation to award.

The plans and specifications include the contractual provisions, methods, and material requirements necessary for this project and are on file with the Department of Public Works.

## **ENVIRONMENTAL DOCUMENTATION**

On December 1, 2015, Agenda Item 41, the Board found this project to be categorically exempt from the provisions of the California Environmental Quality Act.

## **CONTRACTING PROCESS**

The contract was solicited on an open-competitive basis in accordance with the provisions of the State Public Contract Code.

The State Labor Code requires contractors to pay prevailing wage rates to all persons employed on construction contracts. These rates are determined by the Department of Industrial Relations and include contributions for fringe benefits such as vacations, pension funds, training, and health plans for each employee.

To further increase contractor awareness of contracting opportunities with Public Works, this project was listed on both the County's "Doing Business with Us" and Public Works' "Contract Opportunities" websites for upcoming bids. Public Works also coordinated with the Office of Small Business to maximize outreach.

Public Works will review and approve the Faithful Performance and payment bonds filed by the contractors.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This construction contract will result in improved public works infrastructure in the City where the work is scheduled.

**CONCLUSION**

Please return one adopted copy of this letter to the Department of Public Works, Construction Division.

Respectfully submitted,



GAIL FARBER  
Director

GF:JTS:lg

Enclosures

c: Chief Executive Office (Rochelle Goff)  
County Counsel  
Executive Office  
Internal Services Department (Countywide  
Contract Compliance)

AWARD OF CONSTRUCTION CONTRACT  
March 29, 2016

PROJECT ID NO. FCC0001199 – West Coast Basin Barrier Project, Unit 12 Injection and Observation Wells (in the City of Redondo Beach), Supervisorial District 4.

TYPE OF WORK: Construction of injection and observation wells and the performance of other appurtenant work.

CALL FOR BIDS DATE: December 1, 2015 (Agenda Item 41)

BID OPENING DATE: January 5, 2016

BID SUMMARY:

Low	Environmental Construction, Inc. 21550 Oxnard Street, Suite 1050 Woodland Hills, California 91367 (818) 449-8920	\$5,971,303.00
2	W.A. Rasic Construction Company, Inc.	\$7,737,970.00

FINANCIAL INFORMATION:

Amount of estimate	\$3,427,756.00
Amount of recommended contract	\$5,971,303.00
Amount of recommended contract above the estimate	\$2,543,547.00

The amount of the recommended contract is 74 percent above the estimate, which was based on recent average contract prices for similar items of work. A review of the estimate indicates prices of several material items were below current market prices, and the estimate did not take into account the higher costs associated with the restrictions of drilling in a residential neighborhood. Re-advertising the project will result in increased contract administration costs and delay construction with no guarantee that lower bids will be received. No bids were received on the first two advertisements of this project. Therefore, we recommend award of the contract to the low bidder.

Funding for this project is included in the Flood Control District Fund Fiscal Year 2015-16 Budget. The Department of Public Works will receive \$1,000,000 in reimbursement from the Department of Water Resources through a Proposition 84 Grant.

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